



# NEWS RELEASE

**STATE BOARD  
OF EQUALIZATION**

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**BILL LEONARD**  
Member, BOE  
Second District

**RAMON J. HIRSIG**  
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**FOR IMMEDIATE RELEASE**

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**LEONARD ANNOUNCES 2003 TAXABLE SALES – THIRD QUARTER**

Bill Leonard, Member, State Board of Equalization (BOE), announced today that taxable sales in California rose during the third quarter of 2003, marking the fifth consecutive increase in quarterly growth. Transactions subject to the sales and use tax totaled \$118.5 billion during the third quarter of 2003, an increase of \$6.3 billion or 5.6 percent from the third quarter of 2002.

In constant dollar terms, taxable sales increased by 5.8 percent over the same quarter a year ago. The California Taxable Sales Deflator measured a slight deflation rate of 0.14 percent for the third quarter of 2003.

Retail stores posted taxable sales of \$82.6 billion, a 7.6 percent increase over the same period a year ago. Retailers of durable goods experienced an 8.4 percent increase, while non-durable goods showed a 6.8 percent increase.

In the durable goods category, new car dealers posted taxable sales of \$16.2 billion during the third quarter, a 9.9 percent increase over the same period a year ago. Building material dealers posted taxable sales of \$7.6 billion, up 10.5 percent from a year earlier. Construction contractors also saw an increase over the same period a year ago with taxable transactions of \$4.8 billion, an increase of 3.3 percent.

Gasoline consumption was up slightly, showing a growth of 1.9 percent to reach 4.1 billion gallons. Additionally, the average price of gasoline during the third quarter was \$1.754 per gallon, a 17.3 percent increase from the previous year's price. Service stations' total sales yielded \$7.4 billion, resulting in a 13.9 percent increase over the same period last year.

While retail stores' sales experienced increased growth of 7.6 percent during the third quarter 2003, business and personal services taxable transactions continued a trend of declining sales, with taxable sales of \$5.5 billion, a decrease of 1.5 percent over the same period a year ago. All other outlets, comprised primarily of manufacturing and wholesale businesses, saw their taxable transactions improve slightly by 1.7 percent to \$30.3 billion.

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**[Taxable Sales In California - Third Quarter 2003](#)**